

stipulations which were not in the lease afterwards signed. The first was that, in the event of fire destroying the buildings then erected on the sections, the property should absolutely revert to the Crown; the second was that each section should have a separate lease, and these deeds should cost £1 7s. 6d. each; the third was that no transfer should be permitted without the consent of the Government. These were considered objectionable, because these sections changed hands frequently, and it would prevent business in them. I came up specially to Wellington for the purpose of having these three clauses amended: alterations were made by the Government. Another correction I wish to make in the evidence. Mr. Fisher asked Mr. Mackay,—

“32. After the commission sat, did you not draft leases between the Crown and the lessees, a condition of which was that, if their places were burned down, their sections would be forfeited to the Crown?—No.

“33. Did not the first lease you brought down contain a proviso to that effect?—No.

“34. *Hon. Mr. Rolleston.*] Is there any such clause in the lease now?—No.

“35. *Mr. J. B. Fisher.*] I want to get from Mr. Mackay that the lease distinctly contained a clause to that effect?—I distinctly say there was not. There is the form of the lease. [Lease produced.]

“36. The first lease contained no such proviso about fire?—Distinctly not.

“37. Is that the form of the lease now issued to the people [referring to the one produced]?—The form of lease now issued is shorter. All the lessees objected to, in the first form of the lease, was the shortness of the term.”

I simply wish to correct that.

3. *Mr. Stevens.*] Was it understood, in the first instance, that if the buildings were burnt down the land did revert to the Crown?—Yes, that was contained in the first draft of the lease.

4. *The Chairman.*] But not signed?—No; it was sent to me for the section-holders for their approval. After a consultation with the section-holders it was agreed that these clauses should be struck out.

5. And these clauses were struck out?—Yes.

6. As you are so conversant with the whole of the circumstances, would it not be as well that you should state to the Committee what you know in support of the prayer of the petition?—The petitioners pray, “That, considering the peculiar circumstances under which they entered into covenants with the Crown to rent the lands referred to, the exceptional manner in which they have been treated, and the many and great hardships and losses they have sustained, they may be relieved from the covenants into which they have entered, and that a fairer, more lenient, and equitable arrangement may be made, either by allowing them to purchase the fee-simple of the land, or by reducing the rents to be paid to a sum equal to the value of the lands at the time they settled upon them, and a provision made for a permanent tenure.” I was appointed by the section-holders to make terms, which terms were afterwards agreed to by the Government. Those terms are substantially correct as stated in clause 4 of the petition. At the time they were considered fair, reasonable, and most desirable; indeed I thought I had made a very good contract for the people. At the time a large amount of public money was being spent at Westport in the construction of the railway, and the coal-fields in the neighbourhood were being gradually opened up. A large amount of business was reasonably expected. The terms in clause 4 were considered advantageous. These expectations have not been realized. I may explain that the actual value of the sections at the time was very nominal indeed; but their prospective value was so great that the terms were agreed upon, and were considered fair and reasonable. Clause 5 says: “That your petitioners were forced to accept these onerous conditions, inasmuch as they had already built upon the sections occupied by them, and relinquishment of the land meant absolute ruin,” &c. The circumstances of the case were simply these: that previous to July, 1877, as related in clause 4, most of the frontages (only one-third to Henley Street) of these reserves had been occupied by persons either claiming occupation under a business license—that is under the gold fields—or those who had squatted down without any arrangement. The residents on this Colliery Reserve had been washed out, and had been allotted sections as compensation, and when the terms of the arrangement were proposed they had either to accept those rents or remove their buildings. At that time some buildings of considerable value had been erected. In one case a hotel costing £1,500 or £1,600.

7. *Mr. Pearson.*] When the arrangement was made you say it was considered satisfactory?—Yes; it was at the time, because the Government wanted very much more. They only wanted to give a seven years' lease, but it was made twenty-one, because, if anything like trade was doing, the rents proposed would not be very high, but there was actually no business doing.

8. *Mr. Stevens.*] The sections were 33 by 66 feet?—Yes. Clause 6 says, “That your petitioners, by their industry and perseverance, in face of many obstacles, have given to the lands on the Colliery Reserve most of the value they possess at present, and have, unaided by Government, formed streets, footpaths, and drains thereon.” As an observer I can say that that is substantially correct. Members of the Committee may be informed that the Colliery Reserves occupy one side of Main Street, about a mile long. The other side of the street consists of freehold sections—quarter-acre sections. The Colliery Reserve sections are only 33 by 66 feet. The freehold sections, on the opposite side of the road, in one or two instances, have been leased at 10s. per foot. In every instance the properties have been abandoned to the landlord, and the places are empty.

9. *Mr. Pearson.*] What are these tenants paying per foot on the opposite side?—Since the date these terms were made the tenants leased the freeholds opposite at from 7s. 6d. to 12s. 6d. per foot, and in every instance they have been forced to leave the property to the landlord. In one instance a man took the lease of a corner section at £1 7s. 6d. per foot, I think. He built a place costing £800; he became bankrupt, left the building, and it is in the hands of the landlord, who cannot let it as an hotel. In other cases places which have just been built have been left in the hands of the landlords.

10. What are these tenants paying per foot frontage?—They are paying £5 per annum for 33 feet; that would be about 3s. 6d. per foot. I should like to say, to show the value of the property,